



Department of Energy

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CONGRESSIONAL INTENT - ENEWETAK, BIKINI, AND MEDICAL PROGRAMS

The draft Senate Report on the DOI FY 88 Appropriations Bill addresses the following items of interest:

1. Expectations that the Enewetak programs will be turned over to the Enewetak Government by the end of FY 88. Larry Morgan of DOI has reached an understanding with RMI and the Enewetak community on this issue with the target for full takeover by the end of FY 89. I don't think Congress will object to this and we must continue to make every effort to work with all the players to provide requisite training for complete takeover. DOI's MOU with RMI to assume some Wetak II responsibilities, and our MOU with DOI for FY 88, must nail down all the mechanics for accomplishment.
2. The Committee expects DOE to continue a role in the Bikini resettlement. As you are aware, that is a major agenda item for the Marshall Islands Planning Group meeting I have scheduled for October 14.

Harry U. Brown
Assistant for
Off-Continent Operations

Enclosure:

Fax, Morgan, DOI, to Brown, DOE
dtd 9/25/87

cc w/o encl:

Kittie Baier, Principal Deputy Asst.
Secretary, Territorial & Intntl.
Affairs, DOI, Washington, DC

John Rudolph's Files
Letter files
Letters - Marshall Islands - 1987

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United States Department of the Interior

OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20240



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To: Danny Brown - DOE

From: Larry Morgan - TIA

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[COMMITTEE PRINT]

NOTICE: This is a draft only, subject to change until
approved by the full Committee

Calendar No. 000

100TH CONGRESS } 1st Session	SENATE	{ REPORT 100-000
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DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES
APPROPRIATION BILL, 1988

AUGUST 00 (legislative day, AUGUST 00), 1987.—Ordered to be printed

Mr. BYRD, from the Committee on Appropriations,
submitted the following

REPORT

[To accompany H R. 2712]

The Committee on Appropriations, to which was referred the bill (H.R. 2712) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1988, and for other purposes, reports the same to the Senate with various amendments and presents herewith information relative to the changes recommended:

AMOUNTS IN NEW BUDGET (OBLIGATIONAL) AUTHORITY, FISCAL YEAR 1988

Amount of bill passed by House	\$9,441,834,000
Amount of decrease by Senate	
<hr/>	
Total of bill as reported to Senate	
Estimates considered by House	7,895,340,000
Estimates considered by Senate	7,895,340,000
Over the budget estimate, 1988	
Over appropriations, 1987	

assistance to the fiscal year 1987 level; and an increase of \$558,000 to restore the funding for interest for the base program to the fiscal year 1987 level. If any additional funds should be required to cover defaults, the Committee would consider a budget request for any such funds on an expedited basis.

The Committee has also agreed with the House action not to include the administrative limitation of \$33,500,000.

TERRITORIAL AFFAIRS

The Congress of the United States has placed in the Secretary of the Interior certain authority and responsibility concerning the territories of the United States—including Guam, the Virgin Islands, American Samoa, and the Commonwealth of the Northern Mariana Islands [CNMI]—as well as the Trust Territory of the Pacific Islands. While under the jurisdiction of the Secretary, *these island governments are not entities of the Department of the Interior, nor are they agencies or instrumentalities of the Federal Government.* The Committee notes that the United Nations Trusteeship Agreement was terminated with respect to the CNMI, the Republic of the Marshall Islands, and the Federated States of Micronesia by Presidential proclamation on November 3, 1986. Thus, Palau remains as the only area of the former Trust Territory of the Pacific Islands to which the trusteeship agreement still applies.

The broad objectives of the Secretary of the Interior are to promote the economic, social, and political development of the people of each of the island governments, leading toward greater self-government, and to further international peace and security by conducting territorial affairs in close coordination with the defense and foreign policies of the United States.

ADMINISTRATION OF TERRITORIES

1987 appropriation.....	\$78,224,000
1988 budget estimate.....	61,933,000
House allowance.....	74,809,000
Committee recommendation.....	79,999,000

The Committee recommends an appropriation of \$79,999,000, an increase of \$18,066,000 above the budget estimate, \$5,190,000 over the House allowance, and \$1,775,000 over the fiscal year 1987 appropriation. The amounts recommended by the Committee compared to the budget estimates are shown in the following table:

	Budget estimate	Committee recommendation	Change
Guam: Construction grants.....	\$1,100,000	\$6,500,000	+ \$5,400,000
Subtotal: Guam.....	1,100,000	6,500,000	+ 5,400,000
American Samoa:			
Operations grants.....	15,400,000	20,776,000	+ 5,376,000
Construction grants.....	1,950,000	3,200,000	+ 1,250,000

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Subtotal American Samoa	17,350,000	23,976,000	+ 6,626,000
Virgin Islands			
Grants		2,500,000	+ 2,500,000
Construction grants	2,400,000	2,400,000	
Subtotal, Virgin Islands	2,400,000	4,900,000	+ 2,500,000
Northern Mariana Islands: Covenant grants	34,360,000	34,360,000	
Subtotal, Northern Mariana Islands	34,360,000	34,360,000	
Territorial administration			
Office of Territorial and International Affairs	2,962,000	2,962,000	
Technical assistance	2,200,000	5,240,000	+ 3,040,000
Guam power authority loan assistance	1,561,000	1,561,000	
Disaster contingency fund		500,000	+ 500,000
Subtotal, territorial administration	6,723,000	10,263,000	+ 3,540,000
Total, administration of territories	61,933,000	79,999,000	+ 18,066,000

Guam.—The Committee recommends an increase for Guam of \$5,400,000 above the budget request and the House allowance. An amount of \$4,400,000 would be used to restore funding for Guam's comprehensive water improvement plan to the fiscal year 1987 funding level of \$5,500,000. The water system has recently been forced to begin rationing in some areas, and its unreliability threatens to undermine efforts at economic expansion. The Committee believes that contributing to a reliable water system and supporting the development of a self-sufficient economy in Guam are necessary to maintain our Nation's vital national security interests in the western Pacific. Although the Committee recognizes the need for Federal financial assistance to make necessary capital improvements to the Guam water system, it expects that Guam will increase water rates to levels sufficient to cover water utility operations, and that such rates will be in effect prior to requests for additional Federal funding.

For similar economic and security reasons the Committee recommends an increase of \$1,000,000 over the budget request and House allowance for land acquisition and design to expand the Ordot landfill, which has reached its capacity. The Environmental Protection Agency recently communicated to the Department its support for expansion of the Ordot facility as the best option to meet Guam's sanitary landfill needs. The local government is urged to develop a system of user fees to cover the cost of operating the landfill and the Committee anticipates that such a fee system will be established prior to requests for additional funding for the landfill.

Authority for transfer of Navy electrical power facilities on Guam.—The Committee recommends the following administrative provision:

The Secretary of the Navy is authorized to transfer to the Guam Power Authority [GPA], pursuant to the payment provisions described in the conference report on the Continuing Appropriations Act, 1985 (House Report No. 98-1159), those Navy-owned electrical power generation, transmission and distribution facilities, and equipment (excluding distribution facilities required by the military) on Guam as specified in the customer-supplier contract to be negotiated between the Navy and the GPA together with associated land interests. Transfer of such power generation, transmission and distribution facilities, and equipment shall not occur until the GPA assumes full responsibility for islandwide electrical power supply to military and civilian customers on Guam. GPA shall assume full responsibility when it meets all performance standards specified in the August 1986 independent third party plan for takeover of the islandwide power responsibilities or other performance standards mutually agreed upon by GPA and Navy.

This administrative provision would authorize the Secretary of the Navy to transfer certain Navy electric power generation, transmission and distribution facilities, and equipment on Guam to the Guam Power Authority. There is no intent to transfer military distribution assets or assets which are necessary to supply emergency power for military operations or which are needed in a reserve capacity for national defense. Transfer of power generation, transmission and distribution facilities, and equipment is authorized only upon GPA assuming full responsibility for provision of islandwide electrical power to civilian and military users under agreed to performance standards they must meet. Moreover, all assets to be transferred will be specified in the customer-supplier contract to be negotiated between GPA and the Navy. The framework for this transfer was detailed in the conference report on the Continuing Appropriations Act, 1985 (House Report No. 98-1159) which directed that an independent third party study first be commissioned by the Secretaries of Interior and Navy, and in coordination with GPA, to identify financial, management, and service criteria for GPA, and recommend a plan with performance standards and milestones, for takeover by GPA of islandwide power responsibilities. The Secretaries and GPA have diligently carried out this direction and are now in the process of negotiating an appropriate contract to implement the plan. They are to be commended for their efforts. The authority contained in this section is essential to insure that all the good faith planning and negotiating between the parties will result in an orderly transition of full responsibility to GPA as the supplier of islandwide electrical power on Guam.

American Samoa.—The Committee recommends an increase for American Samoa of \$6,626,000 above the budget request and \$1,250,000 below the House allowance. The Committee concurs in the House recommendation for an increase of \$5,376,000 over the budget request.

to restore the operations grant to the fiscal year 1987 level of \$20,776,000, due to incorrect estimating of expected local revenues by the Government of American Samoa.

The Committee strongly believes that the local government should take steps to increase revenue collections and control unauthorized expenditures. Accordingly, the Committee will expect the submission of a plan specifying policies and procedures which will result in substantial improvements in the collection of revenues and the control of expenditures, by the American Samoa Government to the Department of the Interior within 60 days of enactment of this bill. The Committee will expect implementation of such plan and for the Department to verify the implementation of the plan and will expect the verification to take place before the \$5,376,000 in Committee recommended restored operations funds are made available to the American Samoa Government. The Committee notes that the deficiencies in these areas have been previously identified and communicated to the American Samoa Government by the Office of the Inspector General of the Department of the Interior and awaits the development of a workable plan to deal with these matters.

The Committee has included an additional \$1,250,000 above the budget request and \$250,000 below the House allowance to make repairs to the oil tank farm which is a severe safety and fire hazard. The House allowance includes additional funding to relocate homes presently located near the tanks. The Committee has not included any funds for relocation of homes, but will expect a report from the Department, in cooperation with the American Samoa Government, on the need for, the cost of, and the appropriate role of the Federal Government in bearing any such costs involved in relocating homes to insure the health and safety of the local residents. Such report should be presented to the Committee prior to the fiscal year 1989 budget hearings. Because of fiscal constraints, the Committee did not include the House increase of \$1,000,000 for a housing loan program.

Virgin Islands.—The Committee recommends an increase for the Virgin Islands of \$2,500,000, the same as the House allowance, for drug enforcement, treatment, and education activities authorized in last year's Omnibus Drug Act. The Committee intends that these funds should be made available after the development of a detailed workable plan by the Government of the Virgin Islands, in cooperation with the National Drug Policy Board, and the submission of this plan to the Appropriations Committees. It is the Committee's expectation that the plan will specify the allocation of the funds among drug enforcement, treatment, rehabilitation, education, and prevention and testing activities as well as the allocation between equipment and operational costs. The plan should also specify the allocation of a total of \$1,500,000 over the next 2 years for operational costs and assume the phaseout of this source of funding by fiscal year 1991.

The Committee objects to the reliance on the "Territorial affairs" account by other Federal agencies to avoid their responsibilities. The

Office of Territorial and International Affairs was not established to purchase vessels and aircraft for drug interdiction nor to replace the Federal Aviation Agency on airport construction. Those agencies should fulfill their responsibilities, and it is only because of the critical nature of these needs that the Committee has included funding for some of these purposes in this bill. For example, drugs and drug-related crime continue to be a major problem in the Virgin Islands and this is tending to undermine the local tourist-based economy. This is a matter that cannot wait and which should have already been addressed in the Omnibus Drug Act. In a similar vein, the Committee has included language in the bill removing the requirement for FAA approval of the \$1,903,000 loan provided under Public Law 99-190, for extension of the St. Croix airport runway. Allegedly, the FAA is withholding its approval because it has not determined a need for the extension. However, the Committee is concerned that the FAA has only consulted with existing airport users and not potential users in Europe and on the west coast of the United States. Consequently, the Committee has included language to relieve the FAA of this responsibility so that the runway expansion effort may proceed without delay. The Committee intends that the other condition on this loan, a written guarantee from the Government of the Virgin Islands as to the source of repayment, remains in effect.

The Committee concurs in the House recommendation that, as requested by the Governor of the Virgin Islands, an amount of up to \$500,000 of technical assistance funds may be provided to the Virgin Islands for implementation and startup of the new financial system. The Committee also agrees with the House and the Governor that the Department should make use of the Intergovernmental Personnel Act to provide training on site to Virgin Islands personnel.

Northern Mariana Islands.—The Committee recommends the budget request and House allowance of \$34,360,000 for the Northern Mariana Islands, consistent with the terms of the second multiyear financial assistance agreement, as approved by Public Law 99-396.

Territorial administration.—The Committee recommends an increase for territorial administration of \$3,540,000 above the budget request and \$1,040,000 above the House allowance. The Committee concurs in the House recommendation to increase the technical assistance program by \$2,500,000, thus restoring the base program to the fiscal year 1987 level of \$4,700,000. The program is intended to improve the entire range of local territorial governmental operations through assistance in the areas of financial planning, accounting systems, economic development, public safety, et cetera. It is the Committee's intent that the Freely Associated States continue to receive funds in proportion to previous years.

An additional \$540,000 is provided in the "Technical assistance" account for a grant to the CloseUp Foundation to provide fellowship assistance to increase the participation of students from Guam, the Commonwealth of the Northern Mariana Islands, American Samoa, the

Republic of Palau, the Republic of the Marshall Islands and the Federated States of Micronesia and their teachers in the CloseUp Program and for developmental and staff costs associated with this effort. It is anticipated that up to 30 educators and 120 students will be able to participate in the program with these funds.

The Committee has also included \$500,000 for the establishment of a disaster contingency fund. This fund would provide emergency funds when disasters strike the territories and the Federal Emergency Management Agency [FEMA] is unable to respond immediately. In such cases, the Committee would expect, when appropriate, FEMA will reimburse the fund for payments made. The disaster contingency fund would also be available to supplement FEMA reconstruction funds, at the discretion of the Secretary and in consultation with the Committee, so that the reconstruction of essential infrastructure can include hardening against future disasters and thereby realize a net savings for the U.S. taxpayer.

The Committee strongly urges the Department to move forward in cooperation with the Committee and in consultation with the Freely Associated States on a workable plan regarding the stationing of U.S. personnel in the Freely Associated States to support full implementation of the Compact of Free Association Act of 1985. The Committee intends that personnel stationed in the Freely Associated States shall be detailed from other agencies as needed, and that such detailed personnel shall remain on the detailing agency's payroll on a nonreimbursable basis. To the extent that additional funding is needed for travel, housing, and other extraordinary expenses associated with duty in the Freely Associated States, such funds shall be made available from Office of Territorial and International Affairs funding for Federal services assistance or technical assistance.

TRUST TERRITORY OF THE PACIFIC ISLANDS

1987 appropriation	\$67,387,000
1988 budget estimate	14,820,000
House allowance	59,390,000
Committee recommendation	21,590,000

The Committee recommends an appropriation of \$21,590,000, an increase of \$6,770,000 above the budget estimate, a decrease of \$37,800,000 below the House allowance, and \$45,797,000 below the fiscal year 1987 appropriation. The Committee recommendations are compared to the budget estimates in the following table:

	Budget estimate	Committee recommendation	Change
Trust territory operations.....	\$1,433,000	\$1,433,000	
Federated States of Micronesia opera- tions.....			
Republic of the Marshall Islands opera- tions.....			
Republic of Palau operations.....	10,787,000	11,157,000	+ \$370,000
Trust territory construction.....	2,600,000	8,000,000	+ 5,400,000
Bikini Atoll Rehabilitation Committee.....		1,000,000	+ 1,000,000
Total, Trust Territory of the Pa- cific Islands.....	14,820,000	21,590,000	+ 6,770,000

Trust territory operations.—The Committee recommends an appropriation of \$1,433,000, the same as the budget estimate and \$13,000,000 below the House allowance, which was primarily for accumulated deficits.

The Committee notes the final phaseout of the Trust Territory Government and the new role of the Office of Territorial and International Affairs with regard to the Republic of Palau. In order for the office to properly administer its new responsibilities, the Committee expects that the office will station a liaison officer and other necessary personnel in Palau as soon as possible.

Republic of Palau operations.—The Committee recommends \$11,157,000 for the Republic of Palau operations, the same as the House allowance. The increase over the budget estimate includes \$300,000 for necessary medical supplies and \$70,000 for a drug treatment and education program. The Committee is concerned that the Government of Palau was unable to operate within its fiscal year 1987 budget without resort to massive layoffs of government employees. The Committee expects the Government of Palau to develop a workable plan to improve its financial accountability and to control its expenditures. The Committee expects implementation of this plan to be verified by the Department of the Interior before requests for increases in Federal assistance for Government operations are proposed. The Committee notes that the aforementioned deficiencies have been previously identified and communicated to the Government of Palau by the Office of the Inspector General of the Department of the Interior.

Trust territory construction.—For the Republic of Palau, the Committee recommends \$8,000,000, an increase of \$5,400,000 over the budget estimate and a decrease of \$450,000 below the House allowance. The recommendation includes \$5,300,000, the same as the House allowance, for the balance of the funding committed to Palau for construction of its hospital, and \$100,000, also recommended by the House, for rehabilitation of the prison. The Committee has not included \$450,000 recommended by the House for bridge repairs with the understanding that the Department has identified funds to make necessary repairs to certain roads and to the Koror to Babelthoup Bridge and the expectation that these projects will be completed as anticipated. The Committee expresses its opposition to local government plans to

contract for the road construction contemplated under the Palau Compact of Free Association (Public Law 99-658). Not only are funds not available for this road construction, but under the terms of the Compact of Free Association, the United States Government, not Palau, is authorized to contract for such road construction.

Bikini.—The Committee concurs in the House allowance of \$1,000,000 over the budget request to provide the last increment of funding for the Bikini Atoll Rehabilitation Committee [BARC].

The Committee has not included the House recommended increase over the budget request in the amount of \$24,350,000 for Micronesian war claims due to budgetary constraints.

COMPACT OF FREE ASSOCIATION

1987 appropriation	\$2,250,000
1988 budget estimate	27,920,000
House allowance	33,220,000
Committee recommendation	33,620,000

The Committee recommends an appropriation of \$33,620,000, an increase of \$5,700,000 over the budget request, and \$400,000 over the House allowance.

Federal services assistance.—The Committee concurs in the House allowance of \$27,320,000, a reduction of \$600,000 for Federal services assistance for section 232. This will allow an increase of \$570,000, or 5.5 percent over fiscal year 1987, instead of 11.5 percent as proposed in the budget. Within the amount provided by the Committee is the full budget request of \$280,000 for continuation of the Micronesian Diplomatic Training Program required by section 122 of the Compact of Free Association Act of 1985. The Committee expects that the extraordinary expenses of personnel detailed by the Federal Government to the Freely Associated States shall be funded from these Federal services assistance funds or from technical assistance funds.

Moreover, within the amounts provided for Federal services assistance and program grant assistance, the Committee will expect the costs of reimbursable annual financial audits required by sections 110(b) and 233 of Public Law 99-239 to be funded. If sufficient funds are not available in this account for audits and/or the extraordinary expenses of detailees, the Committee will entertain a supplemental budget request to cover the cost of these necessary activities. Bill language is included to provide the authority to expend funds for this purpose.

Enewetak support.—The Committee concurs in the House increase of \$1,100,000 over the budget request which will continue the Enewetak Food and Agricultural Support Program, as provided in section 103(h)(2) of the Compact. The Committee expects that the Enewetak Government will assume administration of this program from the Department of Energy, and that the Department will assist in this transfer prior to the end of its participation at the end of the fiscal year.

Enjebi trust fund.—The Committee concurs in the House increase of \$2,500,000 over the budget request for the third installment for the Enjebi community trust fund. This brings the total appropriated to the

fund to \$7,500,000 out of the \$10,000,000 authorized. The Committee concurs in the House recommendation for bill language to provide that the fund is to be exempt from all U.S. taxes. The Committee is advised that this provision should have been included when the fund was first established, to give the fund the same status as the Bikini resettlement trust fund, established in 1982.

Bikini resettlement.—The Committee concurs in the House increase of \$2,300,000 over the budget request for detailed design and planning of base facilities on Eniwetok Island, for the eventual rehabilitation of Bikini Island in Bikini Atoll. The Committee recognizes that appropriate consideration may be given to past experience and performance when the Department contracts for this design and planning. Further, the Committee expects the Department of Energy to be prepared to continue its participation in long-term efforts to resettle Bikini.

The Committee urges representatives of the people of Bikini and the administration to cooperate in the development and approval of the plan for the restoration of Bikini as authorized under section 103 of Public Law 99-239.

Jaluit Atoll.—The Committee recommends an increase of \$400,000 over the budget estimate and the House allowance for completion of the dock at Jaluit Atoll in the Marshall Islands. This project is important in order to encourage development in the outer islands and slow immigration into the capital which is becoming overburdened by this population influx. The Committee recalls past difficulties in funding this project and expects that it will be completed as intended. Funds may not be reprogrammed without the specific concurrence of the Committee. Previous appropriations of \$1,700,000 were made available based on preliminary estimates. The final and firm estimates indicate a need for an additional \$400,000 to complete this essential infrastructure project.

SECRETARIAL OFFICES

OFFICE OF THE SECRETARY

DEPARTMENTAL MANAGEMENT

1987 appropriation	\$43,191,000
1988 budget estimate	50,976,000
House allowance	45,849,000
Committee recommendation	48,237,000

The Committee recommends an appropriation of \$48,237,000, a decrease of \$2,739,000 below the budget estimate and an increase of \$2,388,000 above the House allowance.

The Committee recommendations compared to the budget estimates are displayed in the following table:

TITLE III—GENERAL PROVISIONS

The Committee has recommended inclusion of several general provisions in the bill including the following:

SEC. 301. Provides that contracts which provide consulting services are a matter of public record and available for public law, except where otherwise provided by law.

SEC. 302. Continues the prohibition on the export of timber harvested on National Forest Service lands.

SEC. 303. Provides a restriction on noncompetitive bidding in the Shawnee National Forest, IL.

SEC. 304. Provides that appropriations available in the bill shall not be used to produce literature or otherwise promote public support of a legislative proposal on which legislative action is not complete.

SEC. 305. Provides that appropriations made available in this bill will not remain available beyond the current fiscal year unless otherwise provided.

SEC. 306. Provides that appropriations made available in this bill cannot be used to provide a cook, chauffeur, or other personal servants.

SEC. 307. Provides for a continuation of the prohibition on the use of funds to process or issue leases for coal, oil, gas, oil shale, phosphate, potassium, sulfur, gilsonate, or geothermal resources on wilderness lands and Forest Service RARE II further planning and Bureau of Land Management wilderness study areas.

SEC. 308. Provides for a restriction on the issuance of oil, gas, or geothermal leases in certain areas within the Mount Baker-Snoqualmie National Forest, State of Washington.

SEC. 309. Provides a restriction on departmental assessments unless approved by the Committees on Appropriations.

SEC. 310. Provides that employment funded by this bill will not be subject to personnel ceilings or other such restrictions.

SEC. 311. Provides authority for the Secretary of the Interior, Secretary of Agriculture, and the Secretary of the Smithsonian Institution to enter into contracts for detection and suppression of fires.

SEC. 312. Provides a continued prohibition to plan for, conduct, or supervise deer hunting on the Loxahatchee National Wildlife Refuge.

SEC. 313. Provides for a continued prohibition on implementation of any land interchange between the Department of the Interior and the Forest Service.

SEC. 314. Provides that funds appropriated by this act or any other act shall remain available to the Trust Territory of the Pacific Islands on the same basis as they were during fiscal year 1986 until funding under the terms of the Compact of Free Association Act of 1985 (Public Law 99-239) becomes available.